GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:2240
ANSWERED ON:29.08.2007
SUPPLY OF COAL TO THERMAL POWER PLANTS
Patil Smt. Rupatai Diliprao Nilangekar

Will the Minister of COAL be pleased to state:

(a) whether the power generating companies located in the State of Maharashtra have requested for supply of coal for expansion of Thermal Power Plants;

(b) if so, the details thereof;

(c) the decision taken by the Union Government in this regard;

(d) whether the State Government of Maharashtra has requested for supplying of coal from the coal mines of Vekoli area;

(e) if so, whether coal would be provided to this plants in the State at low cost from the coal mines located in Vekoli area; and

(f) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY COAL (DR. DASARI NARAYANA RAO)

(a) to (c): Yes, Sir. Maharashtra State Power Generation Company Limited (Mahagenco) have requested supply of coal on tapering basis for their future expansion projects till their coal blocks come into production. These expansion projects include Bhusawal-3, Parli-3, Paras-3, Koradi −I (Replacement), Chandrapur-I and Koradi-2. The request of Mahagenco was considered by the Standing Linkage Committee (Long-term) on Power in its meeting held on 2.8.2007 which approved grant of Letter of Assurance (LOA) to Mahagenco on "tapering basis" to the tune of maximum quantity of 2 Million tonnes per annum, keeping in view actual requirement/shortfall from captive mines of Mahagenco. However, the commercial arrangements in this regard would be worked out between the consumer and CIL/specifically linked company for supply of coal on short term tapering basis. In addition, Mahagenco has also been granted LOA to the tune of about 10 Million tonnes during 2006 for their power projects.

(d) to (f): The request from the Govt. of Maharashtra was for supply of coal from Western Coalfields Limited (WCL) area. The Committee has approved LOA to Mahagenco on "tapering basis" on "cost plus basis" from Coal India Limited/specifically linked company, to the tune of maximum quantity of 2 Million Tonnes per annum keeping in view actual requirement/shortfall from the captive mines of Mahagenco.